

Later

GROCERS IN PROVO RIVER VALLEY

Associated Food Stores (AG)	OP Skaggs	SAFEWAY	IGA	MISCELLANEOUS
✓ Coleman's Store	✓ Clifford Frisby	✓ Harris Parcell (Jan 1954 to Aug 1984) (30 years)	✓ Owen Buell (Heber)	✓ Red & White Bonner Merc (Midway) Heber Mercantile
✓ Henry T. Coleman Guy & Pete Coleman	✓ Ezra Van Wagoner	✓ James P. Allrey (Aug 1984 to)	✓ Earl H Smith (Heber) ✓ Lee (Red) Ivers (Midway)	North Merc in (Charleston)
✓ Harold H Smith (Heber Exchange)		✓ Ralph L Duke (Farmer Jacks (Fleming)	✓ Joseph Richard Nielson ✓ Midway Merc (Midway) ✓ Super IGA FOOD Center (Ralph L Duke) Manager	Charleston Coop (Joseph R Murdock)
✓ Day's Market Thriftway Gerald Wilford Day Allen Day Kirk Hunsaker Gary Day				Shady Rest (Charleston) Brown's Market (Charleston) Dove's (Fleming) (Heber)
				1. Ralph L Duke MGR 2. Ralph L Duke MGR
				1st Draft 8-16-89

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Grocery co-op marks its 50th with sales gain



**MAX B.
KNUDSON**
DESERET NEWS
BUSINESS EDITOR

Associated Food Stores Inc. is celebrating its 50th anniversary this year and, appropriately enough, the company logged its most successful sales volume ever for the fiscal year ended March 31.

Sales were up 7.59 percent to \$731.34 million (in 53 weeks), an increase of 7.59 percent over the \$679.72 million (for 52 weeks) in the previous year.

In their annual message to members in Associated's 1990 annual report, Chairman Gerald W. Day and President D. Gill Warner say the sales gain is a result of increased volume in each of its five divisions in Salt Lake City, Pocatello, Boise, Helena and Billings.

Another factor, say Day and Warner, was Associated's entry into the Las Vegas market with the opening of three Food Giant stores. Another Food Giant is under construction and others are planned, they said.

Total return to Associated member retailers for the fiscal year was \$32.92 million, up from \$29.18 million last year, a 12.85 percent increase and the highest since Associated was formed in 1940.

The return includes cash rebates paid out during the year, interest on member holdings and year-end rebates. Total assets climbed to \$144.76 million in fiscal '90, up from \$132.43 million the previous year. "The company remains in a very strong financial position," the two executives report.

During the fiscal year, Associated bought M&I General Agency and formed a new entity, AFS Insurance Services Inc., to provide better insurance coverage at a lower cost for member retailers.

Day and Warner say their Plan 2000 is still on track for member and store development and low cost distribution. Associated's 1,242 employees are "committed to making this plan work," they assure.

Associated currently has 731 members represented by 14 board members, seven from the Salt Lake area and seven from the other four divisions.

"We are excited about the new decade and pledge ourselves to making Associated and its member stockholders more successful than they have been in the past," the two executives said.

Associated Food Stores was founded when, according to a company history, the number of independent grocery stores in the country was 16,000.

KNUDSON

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price list for all and returned any profits to members was the answer to their problems. Twenty-three of them put up \$300 each, and Reliable Food Stores was born. The name was soon changed to Associated Food Stores and Lloyd was hired as general manager at \$150 a month.

The new company's first warehouse was at 146 S. 500 West, known as Korn's Warehouse. There was no indoor plumbing or central heating.

A small coal-fired stove — the staff took turns fetching small buckets of coal at a nickel each from a coal yard next door — warmed the office.

But it wasn't that easy. The four other wholesalers in the mar-

ket "soon wove a tight web of conspiracy" around Associated, says the history, and vendors were "coerced" into not selling their products to the new company.

This attempt to force the co-op out of business before it really got started made its first two years tenuous. Then, in 1942, a grand jury indicted all four competitors on charges of illegal and unfair practices. The four pleaded "no contest" and that ended the opposition to the new cooperative.

Growth was slow but measurable through the '40s and '50s, says the history, but Associated came of age in the '60s when aggressive expansion into Idaho and California began and the Western Family label was introduced. The growth continued into the '70s when, after 32 years at the helm, Lloyd stepped down and Warner assumed the role of chief executive officer.



D. GILL WARNER

The '80s was a decade of great change as some prominent names in the grocery business changed hands and left the state — including Safeway and the newcomer Farmer Jack.

Today, at the beginning of a new decade, Associated is the 21st largest grocery wholesaler in the country and the largest in the Mountain West. "The last 50 years have been wonderful," says the history. "One can only imagine what wonders and adventures await us in the next 50."



Gerald W. Day



MR. G'S

Gas

and

Family Restaurant
6 am. - 10 pm.

Convenience
Store



Season's Greetings

220 North Main, Heber, Utah



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